

# THE VINCENT AND ELINOR OSTROM MEMORIAL LECTURE

Wednesday, February 11, 2015

IU Maurer School of Law, Moot Court Room 123

4:00–5:00 p.m.

Reception immediately following in the Faculty Lounge

Live stream URL: <http://www.indiana.edu/~video/stream/liveflash.html?filename=IUMaurer>

Archive stream URL: <https://www.youtube.com/user/iuaurerlaw>

## The Violence Trap: Why Democracy and Rule of Law Fail in the Developing World



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### **Abstract**

Why do developing countries fail to promote development? My answer is the *violence trap*, the idea that the threat of violence reduces the attractiveness of development. To understand this idea, I provide evidence that most developing countries experience violent takeover of power more than once a decade. This violence creates multiple sources of risk. In addition, developing countries do not have *perpetual* governments, meaning that new leaders are not bound by any constitution or rules. Hugo Chavez in Venezuela, Fidel Castro in Cuba, Idi Amin in Uganda, and Vladimir Putin in Russia all made unilateral changes in the constitution to remove provisions and constraints they found inconvenient.

These two features of developing countries have significant implications. First, high levels of violence discourage economic activity and investment, hindering growth. Second, the lack of a perpetual government implies that many investments – profitable given peace, security, and stability – fail to occur because they are not profitable in the presence of risks of violence of predation. Third, perpetuity is a necessary condition for a stable constitution, the rule of law, and democracy. Therefore, developing countries face great difficulties maintaining these values and institutions.

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*The Vincent and Elinor Ostrom Workshop in Political Theory and Policy Analysis*